RECEIVED CENTRAL FAX CENTER

Serial No. 10/790,571

JUL 3 0 2007

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: FLUX DRIVE, INC.

Serial No.: 10/790,571

Group Art Unit: 2834

Filed: March 1, 2004

Examiner: Dang D. Le

Title:

APPARATUS TO TRANSFER TORQUE MAGNETICALLY

Date: July 30, 2007 Sent via fax to USPTO at

571-273-8300

REPLY TO NON-FINAL ACTION UNDER 37 C.F.R. Sect. 1.111

Commissioner for Patents PO Box 1450 Alexandria, VA 22313-1450

Sir:

In response to the Non-Final Office Action mailed on January 31, 2007, the Applicant respectfully requests reconsideration, and amend the above-identified application as follows:

IN THE CLAIMS: (List of claims follow)

The following claims were previously cancelled by Applicant 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28.

Claims 14 and 29 were cancelled by Examiner's Action with Applicant's approval, mailed on August 31, 2006.

800-881-6174

Serial No. 10/790,571

Please cancel claims 31 and 32 without prejudice or disclaimer.

Any Claims amended are without prejudice or disclaimer.

Please note arguments concerning claims 1 and 16 in the "Remarks" section.